

III. BILLING AND PAYMENT

15.0 Pricing

- 15.1 At all times during the Agreement Term, prices of items shall not exceed 2% above the local convenience store retail prices for the new items presented to County by the Contractor, with exceptions of kits and packs listed in Section 15.7 of this section. Convenience stores and/or full-service grocery stores shall be used as the basis for the pricing of new menu items. The items listed in Attachment 14 executed by the

Effective Date shall serve as the agreed upon minimum base pricing.

15.1.1 A comparison of retail prices from any three local convenience stores and/or full-service grocery stores, subject to the County Project Manager's approval, located within 12 miles of the Men's Central Jail located in Los Angeles.

15.1.2 Contractor shall provide the store locations, date of survey, items and price comparison.

15.1.3 A manufacturer's price increase Jetter and/or market analysis.

15.1.4 The final price list shall be signed by the County's Project Director and the Contractor's Project Director, and the list shall become a part of the Agreement. Annually, the Contractor will be permitted to update the price list to reflect then-current convenience store pricing.

- 15.2 Postage stamped envelopes and postage stamps shall not be subject to State and local sales tax. Therefore, Contractor shall sell these items at face value. If the postage cost adjusts per the Federal guideline, the Contractor shall be authorized to adjust the cost of postage to reflect the change.

- 15.3 Within one week after the meeting indicated in Section 4.1 (Menu) of the Statement of Work, Contractor shall provide County proof of the retail price for the new items presented to the County by the Contractor, as indicated in Sections 15.1.1, 15.1.2 and 15.1.3. The price at which each new item will be sold shall be memorialized in Attachment 14 of this Statement of Work and shall be executed by County's Project Director and Contractor's Project Director. These prices shall remain firm and fixed for one year from the date of execution of Attachment 14.

- 15.4 At the end of one year after the Initial Attachment 14 is executed, and annually thereafter, Contractor may submit to the County an updated retail price list of items, proof of the retail price comparisons as indicated in Sections 15.1.1, 15.1.2 and 15.1.3, and Contractor's proposed new sale price within the requirements of Sections 15.1 and 15.7. Upon verification of compliance with Sections 15.1 and 15.7, the County Project Director and Contractor Project Director shall execute and amend Attachment 14 which shall replace the prior Attachment 14.

- 15.5 Attachment 14 may be amended with a revised Attachment 14 that is executed by the County Project Director, with the concurrence of the County Counsel, and Contractor Project Director, to reflect changes to the menu authorized by Section 4.0 (Menu).
- 15.6 The price of each kit and pack described in Sections 10.0 and 11.0 of the Statement of Work and Exhibits 8 and 9 of this Statement of Work shall equal the combined total price of each individual item as stated in Attachment 14 of this Statement of Work.
- 15.7 At all times during the Agreement Term, prices for items sold in the Hygiene Maintenance Kit, Indigent Kit, Emergency Kit, County Gift Pack and Pro-Per Inmate Kit shall not exceed 3% of the Wholesale price.
- 15.7.1 Within one week after the meeting indicated in Section 4.1 (Menu) of the Statement of Work, Contractor shall provide County proof of the Wholesale Price of each item for the Hygiene Maintenance Kit, Indigent Kit, Emergency Kit, County Gift Pack and Pro-Per Inmate Kit, and the price at which each item will be sold during the first year of the Agreement within the requirements of Sections 15.1 and 15.7. The price at which each item will be sold shall be memorialized in Attachment 14 of this Statement of Work in a separate pricing section specifically for the kits and packs listed in Section 15.7, and shall be executed by County's Project Director and Contractor's Project Director. These prices shall remain firm and fixed for one year from the date of execution of Attachment 14.
- 15.7.2 At the end of one year after the Initial Attachment 14 is executed, and annually thereafter, Contractor may submit to the County a revised Wholesale Price list of items, proof of the Wholesale Price, and Contractor's proposed new sale price within the requirements of Sections 15.1 and 15.7. Upon verification of compliance with Sections 15.1 and 15.7, the County Project Director and Contractor Project Director shall execute and amend Attachment 14 which shall replace the prior Attachment 14.